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FISCAL IMPACT STATEMENT

LS 6707

BILL NUMBER: HB 1189

NOTE PREPARED: Jan 24, 2008

BILL AMENDED:

SUBJECT: Uniform County Innkeeper's Tax.

FIRST AUTHOR: Rep. Leonard

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: The bill extends the uniform county innkeeper's tax to the rental of campsites in a campground.

Effective Date: July 1, 2008.

Explanation of State Expenditures: *Summary:* The Department of State Revenue could receive additional innkeeper's tax collections to process from taxpayers in Scott County. Of the counties affected by the bill, only Scott's collections are processed by the Department. The Department would be able to process the additional innkeeper's taxes within the existing level of resources available to the Department.

Explanation of State Revenues:

Explanation of Local Expenditures: Counties that have an innkeeper's tax under the uniform statute may have additional collections to process if campsites exist within their borders.

Explanation of Local Revenues: *Summary-* The amount of additional revenue collected would depend on behavioral changes of patrons, as these persons would see increased camping rates as a result of extending the tax to campsites. Sales taxes collected from camp/RV taxpayers in the current uniform innkeeper's tax counties revealed that approximately \$0.35 M in additional revenue could be collected annually, assuming that current sales tax revenue trends in these counties continue. The bill would affect both state and private camping facilities.

Background- There are 47 uniform innkeeper's tax counties. There are currently approximately 47 private

and 13 state campgrounds/sites that would be affected under the bill. In FY 2007, these counties collected \$13.5 M in innkeeper's tax revenue. Campsites in counties that were to adopt the uniform innkeeper's tax in the future would have to collect innkeeper's revenue.

Current rates at state facilities range from \$6 per night for "non-weekend primitive" to \$38 per night on holiday weekends with "full hookup".

State Agencies Affected: Department of State Revenue.

Local Agencies Affected: Counties that have adopted the Uniform Innkeeper's Tax.

Information Sources: Department of Natural Resources; *Indiana Handbook of Taxes, Revenues, and Appropriations*; DeLorme: *Indiana Atlas & Gazetteer*; Department of State Revenue.

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